

THE LEONARD LETTER

*A weekly electronic newsletter about
California government, business and taxes
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QUOTE OF THE WEEK

“The final item, the chocolate torte, requires further analysis.” --- Best sentence ever in a BoE tax opinion letter. Shared here with you in honor of the chocolate that will be consumed for Valentine’s Day this week.

AROUND THE STATE

*****George Washington – Our Nation’s Father*****

George Washington’s integrity set a pattern for all other presidents to follow. As we celebrate our first president’s birthday on February 22nd, his presidency and his contributions to our nation, we would do well to keep in mind the standard he set and to measure all presidents by that standard.

Washington led the revolutionaries to victory, guided the new country through the process of forming a government, and took the daunting task of creating the office of president.

He spent a great deal of time calling on people to behave virtuously, both in their private and in their public lives. He hoped that the Constitution, new at the time he wrote, would be “sacredly maintained” and administered with “wisdom and virtue” so that the happiness of the people can be complete.

As we remember the birthday of our first president, I like to recall one of my favorite quotes from Washington’s farewell address: “Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports.” Yes, George Washington was a man of faith, honesty and decency who set a pattern of integrity that ought to be the pattern for all people who hold the highest office.

*****The P-word Could Save Dying Delta*****

UC Davis scientists and the Public Policy Institute of California have released a study on the California Delta and proclaim it to be sick unto death and recommend radical solutions.

http://www.ppic.org/content/pubs/report/R_207JLR.pdf

One of those solutions goes by the name Peripheral Canal. Although voted down in a 1982 referendum it remains the most scientifically viable way of preserving the environment of the Delta where the Sacramento and San Joaquin Rivers meet, as well as sharing northern California's surplus of fresh water with central and southern California. I was elected to the San Bernardino Valley Municipal Water District in 1974, which was, and is, a state water contractor. That is, the property owners of the San Bernardino valley pay property taxes that are part of the bond repayments that built the State Water Project.

To get up to speed on water issues I spent days in the District library reading about water law and water projects. One of the most interesting I read was the 1972 Environmental Impact Report on the Peripheral Canal project. It is a model for such reports. It lays out the environmental degradation of the do-nothing option and explains the trade offs if the canal is built -- both the benefits and the liabilities. It convinced me then, and my opinion has not changed, that the canal should be built, if for no other reason than to protect the delicate brackish water conditions of the Delta. Too much fresh water and too much salt water are dangers to this area. The levees built mostly by Chinese slave labor are too old and not maintained for the crucial water handling work that they are now required to do each year.

So the new study confirms what responsible environmentalists have known for 40 years. Mankind made the mess when they built the levees. Mankind has the solution to fix the mess. It should be the end of the discussion and the start of action. Hopefully this new report will light that fire for action.

UNDER THE DOME

*****YMCA Model Legislature's Good Ideas*****

"Democracy must be learned by each generation" is the mission statement of the California YMCA Youth and Government program. Over 90 participating YMCA's statewide are sending participants to the 2007 Model Legislature in Sacramento this week. Their regular 2007 Session will convene in the Assembly chambers at 3 PM on February 15. Over 2,200 students and 400 volunteers take part in Youth and Government programs in California.

I have perused the Daily File of the upcoming session. There is a wide diversity of ideologies among the proposed laws each of them written by youth from the local YMCAs. I am particularly impressed by these Youth and Government bills:

"AB 102 requires public schools to have mandatory classes on objective religious studies, with a comparative study of the world's major religions."

"AB 124 creates a Sunset Advisory Commission to evaluate the performance of state agencies."

"AB 164 would increase the number of years needed to achieve tenure in the public school system of California."

“SB 221 mandates the creation of a committee by the Energy Commission to research the feasibility of expanding California’s nuclear energy capability.”

Young people today are great!

I also am interested in their discussion of many tax breaks offered for everything from incentives for reduced pesticide use, credits for using public transportation, and so on.

I will report back on the fate of these. I am interested in how the political opinions of the up-and-coming generation compares to the present.

*****California Department of Injustice*****

Last week two separate articles about the California Attorney General’s Office under the previous AG, Bill Lockyer (who is now the state Treasurer), caught my eye. I hope they have also caught the eye of the new AG, Jerry Brown, and that he seeks to correct the situations. First, Human Events Online lists the “Top 10 Worst State Attorney Generals in the Nation.” Lockyer came in second, behind only Richard Blumenthal of Connecticut. The rankings were done by the Competitive Enterprise Institute and the nation’s AGs were rated on these criteria: “encroachment on powers of other branches of government, meddling in the affairs of other states of federal agencies, encouragement of judicial activism and frivolous lawsuits, favoritism towards campaign contributors, ethical breaches, and failure to provide representation to state agencies or to provide legal advice.”

Surely Mr. Lockyer could have earned the inauspicious first place ranking as worst AG in the nation if only the Competitive Enterprise Institute had seen the recent Associated Press article that disclosed millions of dollars in no-bid contracts awarded by Lockyer’s Department of Justice staff. The Associated Press reviewed the department’s contracts and found dozens of contracts that had been mislabeled “confidential” (in violation of the department’s rules) so that they did not appear in the state computer records that can be accessed by the public. Several of those contracts were given to friends and supporters of Mr. Lockyer.

The new AG is having his staff review how decisions about made about which contracts do not have to be publicly disclosed. I encourage Mr. Brown to be open and honest in how he manages state contracts so that he can be held accountable for the decisions his staff makes. And I encourage the AP to give Mr. Lockyer’s tenure as Treasurer needed scrutiny as well.

MISCELLANY

*****A Good Read*****

In early 1939, Slavomir Rawicz was a Polish Army lieutenant fighting against the German invasion. “The Long Walk: The True Story of a Trek to Freedom” offers testament to strength of the human spirit. Rawicz narrates his experiences after incarceration by the Polish and Soviet Communists. He was first incarcerated in late 1939 and in 1940 he was sentenced to 25 years of

hard labor at a Soviet labor camp in Yakutsk. In 1941, he and six companions equipped with an ax, a knife and a week's meager rations, escaped from the labor camp and walked across most of a continent, including three of most inhospitable areas known on earth-- the Siberian arctic, the Gobi desert and the Himalayas-- into British India. Rawicz and his companions made an epic trek across immense distances and against horrific odds. Written in a stark and hauntingly detailed manner, his story is so full of suffering that it is almost unbearable to read, much less to imagine experiencing. As the author wrote in the forward to the Polish edition, "I hope 'The Long Walk' will remain as a memorial to all those who live and die for freedom, and for all those who for many reasons could not speak for themselves. I had to tell my story as a warning to the living, and as a moral judgment for the greater good."

*****New Citizenship Test*****

To see the official answers to the pilot U.S. citizenship questions below, go to <http://www.uscis.gov/portal/site/uscis/menuitem.5af9bb95919f35e66f614176543f6d1a/?vgnnextoid=dcf5e1df53b2f010VgnVCM1000000ecd190aRCRD>

91. There are 13 original states. Name three.
92. What group of people was taken to America and sold as slaves?
93. Who lived in America before the Europeans arrived?
94. Where did most of America's colonists come from before the Revolution?
95. Why were the colonists upset with the British government?
96. Name one thing Benjamin Franklin is famous for.
97. Name one famous battle from the Revolutionary War.
98. Who is called the "Father of Our Country"?
99. Who was the first President?
100. Name one of the writers of the Federalist Papers?

BOE AND LEGISLATIVE DATES

February 19, 2007 --- George Washington's Birthday observed.

February 23, 2007 --- Last day for bills to be introduced (J.R. 61(a)(1), J.R. 54(a)).

February 27-28, 2007 --- Board of Equalization meets in Culver City.

February 27, 2007 --- Business and Property Taxpayers' Bill of Rights hearings in Culver City at approximately 1:30pm.

March 20, 2007 --- Board of Equalization meets in Sacramento.

March 20, 2007 --- Business and Property Taxpayers' Bill of Rights hearings Business and Property Taxpayers' Bill of Rights hearings in Sacramento at approximately 1:30pm.

March 29, 2007 --- Spring Recess begins upon adjournment (J.R. 51(a)(2)).

March 30, 2007 --- Cesar Chavez Day.

April 9, 2007 --- Legislature reconvenes from Spring Recess. (J.R. 51(a)(2)).

April 24-25, 2007 --- Board of Equalization meets in Sacramento.

April 27, 2007 --- Last day for policy committees to hear and report fiscal bills for referral to fiscal committees (J.R. 61(a)(2)).

NOTABLE DATES/ HISTORY

February 13, 1924 --- King Tut's tomb was opened.

February 14, 269 --- Death of St. Valentine, a Roman, executed by Emperor Claudius II. One legend says he was put to death for helping Christians escape from jail; another says he continued to perform marriage ceremonies for young Roman soldiers, against the Emperor's decree that soldiers be unmarried. Legend says that Valentine left a farewell note for the jailer's daughter, who had become his friend, and signed it "From Your Valentine." In 496 A.D., Pope Gelasius set aside February 14th to honor St. Valentine.

February 14, 1872 --- The first state bird refuge was authorized (Lake Merritt CA).

February 14, 1961 --- Element 103, Lawrencium, was first produced in Berkeley, CA.

February 15, 1898 --- The Battleship Maine exploded in Havana harbor, Cuba. Spain was suspected, and two months later the United States declared war on Spain, beginning the Spanish-American War.

February 16, 1914 --- The first airplane flight from to Los Angeles from San Francisco took place.

February 16, 1959 --- Fidel Castro claimed dictatorial power of Cuba following his overthrow of Fulgencio Batista.

February 17, 1801 --- Thomas Jefferson narrowly defeated Aaron Burr in the only election decided by the House of Representatives and was elected the third president of the United States.

February 18, 1849 --- Regular steamboat service to San Francisco, CA started as gold rush prospectors from east coast traveled west.

February 18, 1850 --- The California legislature created nine Bay Area counties.

February 18, 1960 --- The eighth Winter Olympics games opened in Squaw Valley, CA

February 18, 1972 --- The California Supreme Court abolished the death penalty later reinstated by the people.

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

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